

HOUSE BILL No. 1206

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3-3-5.2.

Synopsis: Donations to community foundations. Allows an adjusted gross income tax credit for a donation made by the taxpayer to a community foundation. Provides that the credit is 50% of the contribution. Provides that, in the case of an individual, the credit may not exceed \$100 for a single return or \$200 for a joint return. Provides that, in the case of a corporation, the credit may not exceed the lesser of \$1,000 or 10% of a corporation's adjusted gross income tax.

Effective: January 1, 2008.

Pelath, Turner

January 11, 2007, read first time and referred to Committee on Ways and Means.

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First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE BILL No. 1206

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-3-3-5.2 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2008]: **Sec. 5.2. (a) As used in this section,**
4 **"community foundation" has the meaning set forth in**
5 **IC 30-2-12-1.5.**

6 **(b) A taxpayer that makes a donation to a community**
7 **foundation in a taxable year is entitled to a credit against the**
8 **adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7**
9 **for the taxable year.**

10 **(c) This subsection applies to a taxpayer that is not a**
11 **corporation. The amount of the credit allowed under this section**
12 **for any taxable year is the least of the following:**

13 **(1) Fifty percent (50%) of the aggregate amount of donations**
14 **made to community foundations by the taxpayer during the**
15 **taxable year.**

16 **(2) Either:**

17 **(A) one hundred dollars (\$100) in the case of a single**

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1 return; or
2 (B) two hundred dollars (\$200) in the case of a joint return.
3 (3) The amount of the taxpayer's adjusted gross income tax
4 liability for the taxable year that remains after subtracting all
5 other credits against the tax liability to which the taxpayer is
6 otherwise entitled under IC 6-3-1 through IC 6-3-7 or
7 IC 6-3.1-21, except a credit permitted under IC 6-3-3-1 or
8 IC 6-3-4-5.
9 (4) Zero dollars (\$0) if the taxpayer claims any part of a credit
10 for the same taxable year under IC 6-3-3-5, IC 6-3-3-5.1,
11 IC 6-3.1-9, or IC 6-3.1-14.
12 (d) This subsection applies to a taxpayer that is a corporation.
13 The amount of the credit allowed under this section for any taxable
14 year is the least of the following:
15 (1) Fifty percent (50%) of the aggregate amount of donations
16 made to community foundations by the taxpayer during the
17 taxable year.
18 (2) Ten percent (10%) of the corporation's total adjusted
19 gross income tax liability under IC 6-3-1 through IC 6-3-7 for
20 the taxable year (as determined without regard to any credits
21 against that tax).
22 (3) One thousand dollars (\$1,000).
23 (4) The amount of the taxpayer's adjusted gross income tax
24 liability for the taxable year that remains after subtracting all
25 other credits against the tax liability to which the taxpayer is
26 otherwise entitled under IC 6-3-1 through IC 6-3-7, except a
27 credit permitted under IC 6-3-4-5.
28 (5) Zero dollars (\$0) if the taxpayer claims any part of a credit
29 for the same taxable year under IC 6-3-3-5, IC 6-3-3-5.1,
30 IC 6-3.1-9, or IC 6-3.1-14.
31 SECTION 2. [EFFECTIVE JANUARY 1, 2008] IC 6-3-3-5.2, as
32 added by this act, applies to taxable years beginning after
33 December 31, 2007.

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